

CARE FUNCTIONAL REVIEW

EXTRAMURAL AGREEMENTS

For information on the interpretation or clarification on the functional questions in this section, please contact Kim L. Hicks on 301-504-1141.

8.0 Extramural Agreements Program (General)

Reference: EAD Web site: <http://www.afm.ars.usda.gov/agreements/index.htm>

Prior to conducting the interview, obtain the Active Extramural Agreements Report (AEAR) from EAD by sending an e-mail request to the AIMS Help Desk Box at **ARS-AIMSHelp@ARS.USDA.GOV**. In the request, provide (1) the name of the Location being reviewed, including Mode Code(s), (2) the dates of the CARE review, and (3) your contact information. The AEAR should be requested as close to the date of the CARE review as possible to ensure that the data is current. The AEAR will provide you with a listing of all active agreements entered into Agricultural Research Information System/Agreements Information Management System (ARIS/AIMS) for the Location.

Interview the Administrative Officer/Technician (AO/T) to identify the Location staff involved in the extramural agreements process, including the types of agreements they process and their roles, duties, and responsibilities.

Note: Typically, the Location staff involved in the agreements process is the Authorized Departmental Officers Representative (ADODR), Administrative Officer, Location Support Staff (LSS), and Center Director/Location Director (if applicable).

Interview the Location staff involved in the extramural agreements process to document their concerns, comments, and/or recommendations about the following:

- ARIS/AIMS requirements.
- Agreements processing, approval, and turnaround times.
- Training needs at the Location.
- Overall improvement(s) to the extramural agreements process.

Interview the Location staff involved in the agreements process to determine the following:

- Is the staff aware of the following resources:
 - The Short Guide “Almost Everything You Need to Know About the Agreements Process.”
 - The ARIS User Guide.

Note: If necessary, provide assistance by showing the resources to the Location staff.

- Review the Location's agreement files against the AEAR to ensure the Location is entering all agreements into ARIS/AIMS. If there is an agreement file on hand that is not listed on the AEAR, advise the AO/T to have the agreement information entered into ARIS/AIMS.

Note: The Standard Cooperative Agreement (StCA) is not entered into ARIS/AIMS.
(All other agreement types are required to be entered into ARIS/AIMS)

Interview the AO/T to determine if they provide the following assistance to the ADODR:

- Advice and guidance on the administrative requirements for extramural agreements.
- A pre-award review of all proposed agreements information entered into ARIS/AIMS.
- Development of the proposed budget to ensure costs are allowable, allocable, and reasonable.
- A pre-award review of the Statement of Work (SOW) versus the budget to ensure budgeted items correspond to the proposed level of effort.
- Conducting preliminary negotiations on proposed terms and conditions of the agreements and budget.
- Technical direction to the cooperator regarding program and administrative requirements within the scope and terms of the agreement.

Interview the appropriate LSS to determine if they provide the following assistance to the ADODR:

- Entering the appropriate information into ARIS/AIMS (ARS-416/417, Incoming/Outgoing agreement information) completely and accurately.
- If needed, requesting the Cooperator/Recipient code(s) from AIMS-Helpdesk.
- Developing the budget and ensuring all applicable and indirect costs are documented.
- Preparing justifications for funding increase/decrease and extensions of time.

Interview the ADODR to determine the following:

- The ADODR receives assistance from the AO/T and LSS as outlined above.

- The ADODR has completed Extramural Agreements Training in AgLearn.
- The ADODR has an active delegation and received a Delegation Memorandum from the Area ADO.
- The ADODR receives assistance with foreign agreements from the EAD staff.

Identify who maintains the agreement files (usually the ADODR) at the Location.

Note: Apply the following the review to Sections 8.01 thru 8.08.

Review the Location's files to insure they include the following:

- A fully executed copy of the agreement.
- A copy of the approved ARIS documents.
- The Management Report (MR) (applicable to the RSA only).
- The file may also include the following: (1) copies of amendment(s), (2) copies of correspondence, (3) copies of Financial and Performance reports, and (4) copies of internal e-mails and notes.

8.01 Research Support Agreement

Research Support Agreement (RSA) – A cost reimbursable agreement between ARS and State Cooperative Institutions or other colleges or universities, for the acquisition of goods or services, including personal services, to carry out agricultural research, extension, or teaching activities of mutual interest. There is a 4-year limitation on full-time recurring requirements and a 10 percent limitation on reimbursing the cooperator for indirect costs. The terms RSA and Cost Reimbursable Cooperative Agreement (CRCA) are interchangeable.

References: **REE Bulletin 07-001**, Research Support Agreement (Revised 2008); **Bulletin 08-700**, Agricultural Research Information System/Agreements Information Management System Data Entry Requirements for the Research Support Agreement; web site: <http://www.afm.ars.usda.gov/ppweb/pplist-EAD.htm>

Determine if the RSA is used at the Location. If yes:

- Determine who serves as ADO for the RSA.
- Verify the Location has a copy of the approved ARS-550, Research Agreements Plan from the Annual Resources Management Plans System (ARMPS) to use the RSA.
- If the RSA is administered at the Area, end the RSA review here.

- If the RSA is administered at the Location, verify the following:
 - The ADO has a Level 1 Delegation of Authority granted by the Director, EAD to establish the RSA.
 - Is the Certificate for Delegation of Authority for Extramural Agreements displayed in an open area in their office or primary work location as required by P&P 700.0 “Delegation of Authority for Authorized Departmental Officers?”
 - The ADODR (usually the Research Leader) has a written delegation of authority from the Area ADO.
 - The Location has an e-mail or letter from the Area, indicating who is responsible for negotiating the Indirect Cost Rate (ICR) payable on the RSA.
- Ensure that the Location maintains an agreement file for each RSA in accordance with Section 8.0.
- Verify the following on the RSA:
 - The SOW, includes the following:
 - A general description and amount of supplies, materials, and/or services.
 - Listing of occupational categories (title) with duties.
 - Dates or a timeframe for delivery of goods or performance of services.
 - The 5-year umbrella agreement is not in use.
 - Task Orders or Optional Forms 347 and 348 are not used to order supplies or services.
 - The RSA does not exceed 12 months in duration.

Note: The award period can cross fiscal years.

- ARS employees are not intervening in personnel matters between the Cooperator and its employees including, but not limited to:
 - Selecting Cooperator employees.
 - Administratively supervising Cooperator employees.

- Administering Cooperator payrolls.
 - Establishing wage levels.
 - Entering into employment agreements with individuals.
 - Approving/disapproving Cooperator employees' leave.
- Services requested on the RSA are in accordance with ARS policy and procedures regarding the acquisition of goods and personal services. Specifically:
- Is the ADO aware of the ARS policy, which specifies that full time and part time temporary requirements for personal services is limited to 4-years (for example, a Lab Technician)?

Note: General support costs i.e., janitorial and maintenance services, etc. are excluded from the 4-year limitation.

- Is the ADO aware that acquiring the services of a university employee is equivalent to an ARS Category 1 and/or 4 Scientist position is limited to 90 days?
- The Cooperator's ICR does not exceed 10 percent of their total direct cost.
- The Cooperator is providing the ADO with a MR (or equivalent documentation.)
- The ADO and ADODR review and approve the MR based upon the following documentation (i.e., packing slips, payroll detail listing, delivery tickets, memoranda, etc.)
- Which payment method is used for the RSA:
 - **For Electronic Funds Transfer/Vendor Express Program method of payment:**
 - Verify that invoices are approved based upon documentation (i.e., packing slips, payroll detail listing, delivery tickets, memoranda, etc.).
 - Verify that copies of the approved invoices or other approved documentation are been submitted to ARS Operations Section, NFC or Area Budget and Fiscal Office (ABFO) for certification and processing.
 - **For DHHS/PMS method of payment:**

- Verify that MRs are approved based upon documentation (i.e., packing slips, payroll detail listing, delivery tickets, memoranda, etc.).
- Verify that a copy of the MR is sent to ARS Operations Section, NFC or the ABFO, for comparison against disbursement activity in the Health and Human Services Payment Management System (HHS-PMS).
- Verify the ADO is performing the following:
 - Ensuring proper use of the RSA in accordance with Bulletin 07-001.
 - Reviewing all data fields for accuracy and completeness of the RSA information in ARIS/AIMS. Specifically, entering itemized goods and services on the SOW in ARIS/AIMS for the RSA.
 - Ensuring the ADODR (usually the Research Leader) has a written delegation of authority from the Area ADO to act as the technical representative on the RSA.
 - Verifying the RSA pricing and/or determining the wage rates with the Cooperator.
 - Conducting ICR negotiations with the Cooperator, as determined by the Area policy.
 - Entering into, administering, closing out or terminating the RSA.
 - Providing a copy of obligating documents and invoices to ARS Operations, NFC or the ABFO for certification and processing.
 - Verifying the eligibility of the proposed Cooperator.
 - Verifying the presence of mutuality of interest between ARS and the Cooperator.
 - Obtaining the Cooperator's banking and Foundation Financial Information System (FFIS) vendor code information.
 - Obtaining and evaluating the Cooperator's pricing information to ensure costs are allowable, allocable, and reasonable.
 - Maintaining the "official" RSA file.
 - Monitoring the Cooperator's performance and ensuring financial and performance reporting requirements are met as prescribed in the terms and conditions of the RSA.

- Adjusting the RSA obligation, as needed, based on expenditures and changing programmatic needs.
- Ensuring the ADODR reviews and approves the MR.
- Verifying the ADODR is certifying the receipt of goods and/or services on the invoice based upon the following documentation: packing slips, payroll detail listing, delivery tickets, memoranda, etc. and approving payments.

8.02 Non-Assistance Cooperative Agreements: (Specific Cooperative Agreements (SCA), Trust Fund Cooperative Agreements (TFCA), and Reimbursable Cooperative Agreements (RCA))

SCA – describes in detail a jointly planned, executed, and funded research program or project.

TFCA – involves cooperative research between ARS and another party where ARS is paid in advance to conduct research or for the other party to share in the cost of a research project conducted by ARS.

RCA- similar to the TFCA except, that the Cooperator pays when billed by ARS for work completed.

Determine if the SCA, TFCA, and/or RCA is used at the Location. If yes:

- Ensure that the Location maintains an agreement file in accordance with Section 8.0.
- Review the Location’s SCA, TFCA and/or RCA agreement files against the AEAR to ensure the Location is entering all agreements into ARIS/AIMS. If there is an agreement file on hand that is not listed on the AEAR, advise the AO/T to have the agreement information entered into ARIS/AIMS.

8.03 Standard Cooperative Agreement (StCA)

StCA – describes a cooperative relationship between ARS and another party that defines a mutually beneficial relationship relative to the use of land, labor, equipment, facilities, livestock, or other resources. The agreement includes the Federal Tort Claims Act as the “make whole” provision.

Reference: **REE Bulletin 08-703**, Standard Cooperative Agreement;
website: <http://www.afm.ars.usda.gov/ppweb/pplist-EAD.htm>

Determine if the StCA is used at the Location. If yes:

- Determine who serves as the ADO for the StCA. Note: The AO/T may be the ADO for the StCA.

- If the StCA is administered at the Location, verify the following:
 - The ADO has a Level 1 Delegation of Authority granted by the Director, EAD to establish the RSA.
 - Is the Certificate for Delegation of Authority for Extramural Agreements displayed in an open area in their office or primary work location as required by P&P 700.0 “Delegation of Authority for Authorized Departmental Officers?”
 - The ADODR (usually the Research Leader) has a written delegation of authority from the Area ADO.
 - Verify the Location maintains an agreement file and forwards a copy of the StCA to the Area Office.

Note: The file should include the following a fully executed copy of the agreement. The file may also include internal e-mails and notes.

- Verify that all StCAs awarded after September 16, 2008, includes the Federal Tort Claims Acts instead of the Fair Market Value Clause (FMVC) as the “make whole” provision.
- Verify that the new, standardized REE-451 and SOW is being used.
- Verify the ADO is aware the new forms are available in e-forms and on the EAD Web site.
- If the STCA is at the Area level, verify that the Location receives a copy of the agreement and maintains a file. (The Area Office maintains the “official” Agency file.)

8.04 Grants and Assistance Type Cooperative Agreement (ATCA)

Grant – transfers a thing of value (money, property, services, etc.) to the recipient to stimulate or carry out a public purpose with no substantial involvement anticipated between the agency and the recipient.

ATCA – transfers a thing of value to the recipient to stimulate or carry out a public purpose and substantial involvement is anticipated between the agency and the recipient.

Reference: Web site: <http://www.afm.ars.usda.gov/ppweb/pplist-EAD.htm>

Determine if the Grant and/or ATCA is used at the Location. If yes:

- Ensure that the Location maintains an agreement file in accordance with Section 8.0.

- Review the Location's agreement files against the AEAR to ensure the Location is entering all agreements into ARIS/AIMS. If there is a Grant or ATCA agreement file on hand that is not listed on the AEAR, advise the AO/T to have the agreement information entered into ARIS/AIMS.

Does the AO/T understand the difference between a Grant and ATCA? Does the AO/T understand the requirement to document substantial involvement on the ATCA? If not, direct them to the EAD Web site at <http://www.afm.ars.usda.gov/agreements/agreement-types.htm> for additional information.

8.05 Supplements to the Master Memorandum of Understanding (MMOU)

Supplements to the MMOU - further defines cooperative research related to the MMOU. Used prior to August 14, 2003. **Supplements have been replaced by Non-Funded Cooperative Agreements.**

Determine if there are active Supplements. If yes:

- Advise the Location to work with the Area Office to terminate all active Supplements and convert those still needed to NFCAs.

8.06 Standard Memorandum of Understanding (SMOU)

SMOU - describes a cooperative relationship between ARS and another party that defines a mutually beneficial relationship relative to the use of land, labor, equipment, facilities, livestock, or other resources. The agreement does not include a "make whole" provision. Used prior to August 14, 2003. **SMOUs have been replaced by Non-Funded Cooperative Agreements.**

Determine if there are active SMOUs. If yes:

- Advise the Location to work with the Area Office to terminate all SMOUs and convert those still needed to NFCAs.

8.07 Individual Memorandum of Understanding (IMOU)

IMOU - describes a cooperative program or project between ARS and another party when there was no Master MOU to supplement. Used prior to August 14, 2003. IMOUs have been replaced by NFCAs.

Determine if there are active IMOUs. If yes:

- Advise the Location to work with the Area Office to terminate all IMOUs and convert those still needed to NFCAs.

8.08 Non-Funded Cooperative Agreement (NFCA)

NFCAs - describes in detail a jointly planned and executed project of mutual interest. All parties

contribute resources and benefit independently in the outcome of the project. There is no direct transfer of funding from one party to the other. NFCA replaces the Individual Memorandum of Understanding (IMOU), Supplements to the MMOU and the Standard Memorandum of Understanding.

Reference: **REE Bulletin 03-700**, Memoranda of Understanding and Non-Funded Cooperative Agreements; Web site: <http://www.afm.ars.usda.gov/ppweb/pplist-EAD.htm>

Determine if the NFCA is used at the Location. If yes:

- Ensure that the Location maintains an agreement file in accordance with Section 8.0 for each NFCA. Review the Location's agreement files against the AEAR to ensure the Location is entering all agreements into ARIS/AIMS. If there is an agreement file on hand that is not listed on the AEAR, advise the AO/T to have the agreement information entered into ARIS/AIMS.